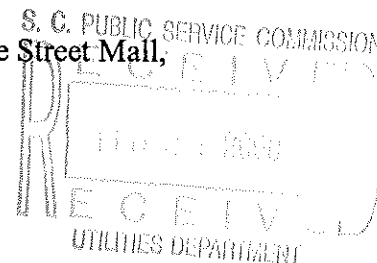
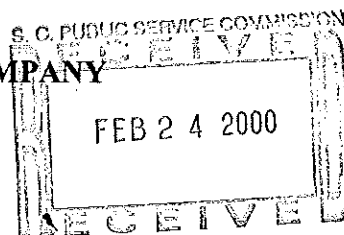


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**SOUTH CAROLINA PUBLIC SERVICE COMMISSION**  
**DOCKET NO. 2000-001-E**  
**DIRECT TESTIMONY OF CAROLINA POWER & LIGHT COMPANY**

**WITNESS ERNEST J. BOYD**



1 **Q. Please state your name and business address.**

2 **A.** My name is Ernest J. Boyd, and my business address is 411 Fayetteville Street Mall,  
3 Raleigh, North Carolina, 27602.

4 **Q. What is your position with Carolina Power & Light Company?**

5 **A.** I am the Manager - Fuel Accounting in the Fossil Fuel Department in the Power  
6 Operations Group.

7 **Q. Please state your educational background and experience.**

8 **A.** I have a B.S. degree from East Carolina University. I have been employed by Carolina  
9 Power & Light Company for 30 years. During the first 12 years with the Company, I  
10 worked with the Internal Audit group where I obtained my certification as an Internal  
11 Auditor. For the past 18 years I have worked in the Fossil Fuel Department holding  
12 various positions, with the appointment to my current position occurring in July 1999.

13 **Q. Have you had any prior testifying experience?**

14 **A.** Yes, I have. I testified in the Company's 1999 North Carolina fuel case Docket E-2, Sub  
15 748.

16 **Q. What is the purpose of your testimony?**

17 **A.** The purpose of my testimony is to show the reasonableness of the Company's fuel  
18 purchasing practices and to present fuel cost data for the historical test period January  
19 1999 through December 1999.

RETURN DATE: 016 DW  
SERVICE: OK DW

1 **Q. How much contract coal and spot coal did the Company receive during the test**  
2 **period?**

3 **A.** The Company received 9,894,001 tons of contract coal at an average cost of 171¢/MBtu  
4 and 1,136,776 tons of spot coal at an average cost of 130¢/MBtu.

5 **Q. What was the Company's inventory of coal at the end of December 1999?**

6 **A.** The coal inventory as of December 31, 1999 was 1,511,274 tons, which would provide  
7 about 37 days' generation based on an 85 percent fossil steam capacity factor.

8 **Q. Please describe Boyd Exhibit No. 1.**

9 **A.** Boyd Exhibit No. 1 shows the quality of coal received each month during the period.

10 **Q. What was the average nuclear fuel cost for the generation of electricity during the**  
11 **period January 1999 through December 1999?**

12 **A.** The average cost of nuclear fuel consumed in the generation of electricity during that  
13 period was 45¢/MBtu.

14 **Q. During the period January 1999 through December 1999, how many gallons of No.**  
15 **2 fuel oil did the Company receive and at what cost?**

16 **A.** The Company received a total of 29,876,732 gallons of No. 2 fuel oil at an average cost  
17 of 58¢/gallon (417¢/MBtu) for that period.

18 **Q. What was the Company's closing oil inventory on December 31, 1999?**

19 **A.** The Company's closing oil inventory on December 31, 1999 was 16,153,492 gallons of  
20 No. 2 fuel oil.

21 **Q. How much natural gas did the Company burn during the period January 1999**  
22 **through December 1999?**

23 **A.** The Company burned 4,186,817 MCF natural gas for the period at a cost of 329¢/MBtu.

1     **Q.   Were the inventory levels maintained during the test period appropriate and were**  
2     **your fuel procurement practices reasonable and prudent?**

3     **A.   Yes.** The inventory levels ensured an adequate supply of fuel to meet our customers'  
4     electrical requirements during this period and the fuel was secured at a reasonable cost  
5     utilizing prudent procurement practices and procedures.

6     **Q.   Does this conclude your testimony?**

7     **A.   Yes, it does.**